

## Message Text

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PAGE 01 TUNIS 02070 281218Z

ACTION XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-08 COME-00 TRSE-00 IGA-02

OMB-01 AID-05 /031 W

-----281358Z 007699 /43

R 281006Z MAR 77

FM AMEMBASSY TUNIS

TO SECSTATE WASHDC 6188

LIMITED OFFICIAL USE TUNIS 2070

DEPT PASS NEA/AFN, EB/FD/ODF; ALSO PASS EXIMBANK

E.O. 11652: N/A

TAGS: EVIN TS

SUBJ:PROPOSED VISIT BY EXIMBANK OFFICIALS

1. AS DEPARTMENT AND EXIM ARE AWARE, TUNISIA IS LAUNCHING ITS FIFTH DEVELOPMENT PLAN IN MID-1977. THE FINANCING NEEDS OF THIS PLAN WILL REQUIRE HEAVY RECOURSE TO MEDIUM TERM COMMERCIAL AND GOV'T GUARANTEED CREDITS. NEVERTHELESS, GOT WILL SEEK BEST AVAILABLE CREDIT TERMS AND WILL CONTINUE TO PLACE HEAVY WEIGHT ON CREDIT TERMS IN EVALUATION OF BIDS FOR MAJOR PROJECTS. EXIM HAS NOT IN THE PAST BEEN COMPETITIVE ON PROJECTS IN TUNISIA, AND PRESENT EXIM EXPOSURE IS VIRTUALLY ONE-HUNDRED PERCENT IN AIRCRAFT (BOEING 727'S) WEHRE THERE IS NO OTHER SOURCE OF 7 TO 10 YEAR, FIXED INTEREST RATE FINANCING.

2. IN PREVIOUS VISITS, AND IN U.S.-TUNISIAN JOINT COMMISSION, EXIM OFFICIALS (FORMER CHAIRMAN CASEY IN AUGUST 1975, AND MORAN AND HAMMOND IN M SZ 1975; HABER IN OCT 1976) HAVE INFORMED GOT OFFICIALS AND POTENTIAL BORROWERS THAT EXIM LOOKS FAVORABLY ON TUNISIA AND IS EAGER TO INCREASE ITS EXPOSURE HERE. FROM EXIM OFFERS ON SUBSEQUENT FINANCING OPPORTUNITIES (SNCFT LOCOMOTIVES, STEG THERMAL POWER STATION), GOT LIMITED OFFICIAL USE

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HAS RECEIVED IMPRESSION THAT EXIM'S DESIRE TO EXPAND IN TUNISIA HAS NOT BEEN TRANSLATED INTO ACTION, DESPITE SOME FLEXIBILITY IN EXIM'S POSITION ON THESE LOANS. AS A RESULT, EXIM, WHETHER INTENTIONALLY OR NOT, RAISED GOT EXPECTATIONS AND THOSE EXPECTATIONS HAVE BEEN DISAPPOINTED.

3. EMBASSY WILLING TO RECEIVE PROPOSED EXIM TEAM BUT IT MUST

BE PREPARED FOR UNHAPPY GOT OFFICIALS AND POTENTIAL BORROWERS  
AS WELL AS FOR REPEATED REQUESTS FOR FAVORABLE TERMS ON LOANS  
NEEDED TO FINANCE THE FIFTH PLAN. THE CURRENT DROUGHT, WHICH  
WILL SEVERELY STRAIN GOT EXCHANGE EARNINGS, WILL MAKE THESE  
PLEASE EVEN MORE FERVENT. UNLESS EXIM CAN ADDRESS THESE RE-  
QUESTS ON TERMS MORE FAVORABLE THAN THOSE OFFERED IN RECENT  
YEARS, VISIT COULD BE COUNTERPRODUCTIVE.  
MULCAHY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** VISITS, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 28-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977TUNIS02070  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770105-0931  
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**Litigation History:**  
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**Office:** ACTION XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** PROPOSED VISIT BY EXIMBANK OFFICIALS  
**TAGS:** EFIN, OTRA, TS, XMB  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009